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THE AGRICULTURAL SITUATION REVIEW.

NOT FOR PUBLICATION

SPEAKING TIME: 9 minutes.

ANNOUNCEMENT: Now for the review of developments in the farm world during January. The review comes from the Little Blue Book, the monthly publication of the Bureau of Agricultural Economics in the United States Department of Agriculture. We select for you the high-lights of the Agricultural Situation during the month just passed as given in this publication.

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The men who deal in big figures have just completed the annual inventory of the Nation's livestock, made as of January 1.

In brief this inventory shows---

- 1--- That the number of cattle and sheep increased during the past year.
- 2--- That the number of hogs declined still further.
- 3--- That the number of horses and colts again showed a falling off, continuing a downward trend which has gone on for several years.

Expanding on these points, the Little Blue Book says that "the total number of hogs and pigs in the country decreased about  $7\frac{1}{2}$  per cent during 1929. The decrease in the Corn Belt was 6 per cent. Corn Belt hog production during the past 3 years seems to have shown only moderate changes. The evidence of some decline in hog production-- which is supported by the 1929 pig surveys and by reduced slaughterings in the last 4 months--- suggests that the supply of hogs going to commercial slaughter for the marketing year ending with September, 1930, will be somewhat smaller than that of the previous marketing year. In other words, the present hog-supply situation is rather favorable to the producer."

Coming to beef cattle, we find signs that the beef-cattle industry has passed the low point of its production cycle and is now beginning slowly to expand. "There is no evidence," says the Little Blue Book, "of very much increase in beef herds as yet and slaughter in 1930 is expected to be about the same as in 1929. Cattlemen, however, are faced with a general tendency toward increasing numbers of cattle and with the fact that in previous experience, such periods of expansion have been accompanied by several years of generally falling prices. The cattle industry should now be 'watching its step'."

MEMORANDUM

TO : THE SECRETARY OF THE ARMY  
FROM : THE CHIEF OF STAFF  
SUBJECT: [Illegible]

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2. [Illegible]

3. [Illegible]

4. [Illegible]

5. [Illegible]

6. [Illegible]



Dairymen also face a period of readjustment, the inventory-takers find. While an annual increase of about 1 per cent in the number of milk cows is necessary, normally, to balance the growing demand for dairy products, in number increased 3 per cent in 1929. The present number of heifers--- 6 per cent larger than a year ago--- is enough to cause still further increases in the dairy-cow population in 1930. Probably more calves have been raised in the last 2 years than can be raised to advantage hereafter. Dairymen who have to buy dairy cows will probably be able to buy them at less cost in 2 or 3 years than they can now.

The sheep population increased by 1,400,000 head last year, but this was the smallest increase in the past 4 years. The estimated lamb crop last year--- nearly 26 million head--- was, however, about 1 per cent smaller than that of 1928. The native lamb crop was larger but the Western crop, due mainly to bad weather, was considerably smaller.

The total value of farm livestock on January 1 of this year was a little under 6 billion dollars as compared with slightly more than 6 billion dollars on January 1, 1929, says the Little Blue Book.

Speaking of livestock prices, at \$8.53 per hundredweight on December 15, 1929, the United States average farm price of live hogs was practically the same as on November 15 of the same year, but about  $7\frac{1}{2}$  cents higher than a year ago. From November 15 to December 15 of last year, the farm price of hogs advanced about one-half of 1 per cent in the North Central States, but this advance was completely offset by continued price declines in other sections of the country.

Farm prices of beef cattle continued to fall from November 15 to December 15, 1929. There was a 2 per cent drop during this period, bringing the United States average to \$8.48 per hundredweight as compared with \$8.94 in December, 1928.

The Little Blue Book says that the United States Average farm price of corn declined about 4 per cent from November 15 to December 15 of last year. Corn prices dropped generally throughout the country, but the drop was greater in some sections than in others. The reduction varied from 1 per cent in the South Central Division to 6 per cent along the South Atlantic Coast. On December 15, however, the average farm price for the country was still about  $2\frac{1}{2}$  per cent above the average of December 15, 1928.

Here are some more figures on average United States farm prices for December, 1928, and December, 1929---

Cotton: 18 cents, December, 1928--- 16 cents, December, 1929.

Corn: About 76 cents per bushel, December, 1928--- 78 cents, December, 1929

Wheat: About 98 cents per bushel, December, 1928--- about \$1.08, December, 1929.

Hay: \$11.23, December, 1928--- \$11.04 per ton, December, 1929.

Potatoes: About 58 cents per bushel, December, 1928--- about \$1.35, Dec. 1929

Eggs: About 43 cents per dozen, December, 1928--- about 46 cents, December, 1929.

Butter: About 46 cents per pound, December, 1928--- 43 cents, December, 1929

Butterfat: About 49 cents per pound, December, 1928--- about 42 cents,



December, 1929.

Wool: About 36 cents per pound, December, 1928--- about 28 cents, December, 1929.

Lambs: \$11.41 per 100 pounds, December, 1928---\$10.76, December, 1929.

Horses: \$78 each, December, 1928--- \$77, December, 1929.

The livestock business furnishes most of the spot news in the Little Blue Book for January, but there are some interesting figures in that part of the report that deals with the cold-storage situation.

Studying the figures, we find that stocks of apples in terms of apples amounted to nearly 8 million on January 1, 1930. This is somewhat less than the five-year average and more than 1 million barrels short of the cold-storage apple stocks of January 1, 1929.

Creamery butter stocks on January 1, 1930, were about 38 million pounds short of the January 1, 1929, holdings.

Cold-storage stocks of American cheese on January 1, 1930, were more than  $4\frac{1}{2}$  million pounds less than one year ago, but bettered the 5-year average by nearly 8 million pounds.

Total stocks of all varieties of cheese in cold-storage were slightly more than 5 million pounds less than a year ago, but more than 7 million pounds larger than the 5-year average.

January 1 case-egg stocks were about half of what they were on January 1, 1929, and half a million cases short of the 5-year average.

Frozen and cured pork stocks amounted to more than 135 million pounds on January 1, 1930, as compared with 208 million pounds last year.

Cold-storage holdings of all meats on January 1, 1930, were over 31 million pounds less than on the same date in 1929.

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ANNOUNCEMENT: We have just concluded the AGRICULTURAL SITUATION REVIEW sent to you each month by Station\_\_\_\_\_ through arrangement with the United States Department of Agriculture. Another REVIEW will come to you the first Monday in March.

